

# HOUSE BILL No. 1120

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-12-1; IC 6-2.5-10-1; IC 12-7-2; IC 12-14.

**Synopsis:** Energy assistance contingency fund. Creates the energy assistance contingency fund to be used for low income home energy assistance and efficiency measures. Appropriates heating fuel sales tax revenue to the fund. Provides that the division of family and children shall administer the fund.

**Effective:** July 1, 2004.

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**Klinker, Brown C, Brown T,  
Scholer**

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January 13, 2004, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1120

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-12-1-14.2 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 14.2. Notwithstanding  
3 any other law, all oil overcharge funds received from the federal  
4 government are annually appropriated to the division of family and  
5 children for the division's use in carrying out the home energy  
6 assistance program. The amount of this annual appropriation for a state  
7 fiscal year is equal to:

8 (1) the total amount necessary to carry out the program during  
9 that fiscal year, **including any amount needed to provide a**  
10 **temporary source of funding for the energy assistance**  
11 **contingency fund under IC 12-14-11.1;** minus

12 (2) the amount of federal low income energy assistance funds  
13 available for the program during that state fiscal year.

14 SECTION 2. IC 4-12-1-14.4 IS ADDED TO THE INDIANA CODE  
15 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
16 1, 2004]: **Sec. 14.4. (a) As used in this section, "heating fuel sales"**  
17 **means all residential and commercial sales of natural gas and**

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heating oil for heating purposes.

(b) As used in this section, "baseline measure" means the amount determined in STEP FOUR of the following formula:

**STEP ONE:** Determine the total sales of heating fuel that were taxable under IC 6-2.5-2 for the period beginning July 1, 2000, and ending June 30, 2003, less any collection allowance retained under IC 6-2.5-6-10, all as determined by the department of state revenue.

**STEP TWO:** Divide the STEP ONE amount by three (3).

**STEP THREE:** Multiply the STEP TWO amount by six hundredths (0.06).

**STEP FOUR:** Multiply the STEP THREE amount by forty-nine thousand one hundred ninety-two hundred-thousandths (0.49192).

(c) Notwithstanding any other law, there is annually appropriated to the energy assistance contingency fund established by IC 12-14-11.1-1 an amount equal to:

(1) forty-nine and one hundred ninety-two thousandths percent (49.192%) of the state gross retail tax collected on heating fuel sales during the preceding fiscal year as determined by the department of state revenue; minus

(2) the baseline measure.

SECTION 3. IC 6-2.5-10-1, AS AMENDED BY P.L.192-2002, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects.

(b) The department shall deposit those collections in the following manner:

(1) Fifty percent (50%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.

(2) **Except as provided in subsection (c)**, forty-nine and one hundred ninety-two thousandths percent (49.192%) of the collections shall be paid into the state general fund.

(3) Six hundred thirty-five thousandths of one percent (0.635%) of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.

(4) Thirty-three thousandths of one percent (0.033%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(5) Fourteen-hundredths of one percent (0.14%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

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(c) The department shall transfer forty-nine and one hundred ninety-two thousandths percent (49.192%) of the state gross retail taxes that are collected on heating fuel sales (as defined in IC 4-12-1-14.4(a)) to the auditor of state for distribution to the energy assistance contingency fund established by IC 12-14-11.1-1. The auditor of state shall hold all amounts transferred by the department under this subsection and shall distribute the amount determined under IC 4-12-1-14.4(c) to the energy assistance contingency fund on or before June 30 of each year. On July 1 of each year, the auditor of state shall transfer the remaining amount to the department for deposit in the state general fund.

SECTION 4. IC 12-7-2-73.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 73.8. "Dwelling", for purposes of IC 12-14-11.1, has the meaning set forth in IC 12-14-11.1-2.

SECTION 5. IC 12-7-2-75 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 75. "Eligible household" means the following:

(1) For purposes of IC 12-14-11, ~~has~~ the meaning set forth in IC 12-14-11-1.

(2) For purposes of IC 12-14-11.1, the meaning set forth in IC 12-14-11.1-3.

SECTION 6. IC 12-7-2-91, AS AMENDED BY P.L.11-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.

(3) For purposes of IC 12-14-11.1, the meaning set forth in IC 12-14-11.1-4.

(4) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

~~(4)~~ (5) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

~~(5)~~ (6) For purposes of IC 12-17-6, the meaning set forth in IC 12-17-6-1-3.

~~(6)~~ (7) For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.

~~(7)~~ (8) For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.

~~(8)~~ (9) For purposes of IC 12-19-7, the meaning set forth in

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IC 12-19-7-2.

~~(9)~~ **(10)** For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(10)~~ **(11)** For purposes of IC 12-23-18, the meaning set forth in IC 12-23-18-4.

~~(11)~~ **(12)** For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(12)~~ **(13)** For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(13)~~ **(14)** For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 7. IC 12-7-2-93.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 93.8. "Grantee", for purposes of IC 12-14-11.1, has the meaning set forth in IC 12-14-11.1-5.**

SECTION 8. IC 12-7-2-106 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 106. **(a)** "Home energy" ~~for purposes of IC 12-14-11.1~~, has the meaning set forth in IC 12-14-11-2.

**(b) This section applies to the following statutes:**

**(1) IC 12-14-11.**

**(2) IC 12-14-11.1.**

SECTION 9. IC 12-7-2-106.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 106.5. "Home energy efficiency measure", for purposes of IC 12-14-11.1, has the meaning set forth in IC 12-14-11.1-7.**

SECTION 10. IC 12-7-2-110.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 110.5. **(a)** **"Household", for purposes of IC 12-14-11.1, has the meaning set forth in IC 12-14-11.1-8.**

**(b)** "Household", for purposes of IC 12-20, means any of the following:

(1) An individual living alone.

(2) A family related by blood.

(3) A group of individuals living together at one (1) residence as a domestic unit with mutual economic dependency.

SECTION 11. IC 12-14-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. The home energy assistance programs are to provide assistance, including emergency assistance, to low income households in Indiana to:

(1) defray home energy costs; and

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(2) ~~provide assistance to low income households; for implement~~  
home energy conservation measures.

SECTION 12. IC 12-14-11-5 IS AMENDED TO READ AS  
FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. The division shall do  
the following:

(1) Administer an appropriation made for the purposes specified  
in section 4 of this chapter.

(2) Receive and administer money that may be available to the  
state for energy and conservation assistance from the federal  
government.

(3) Establish criteria to determine eligibility for assistance under  
this chapter.

**(4) Administer the energy assistance contingency fund  
established by IC 12-14-11.1-1.**

SECTION 13. IC 12-14-11.1 IS ADDED TO THE INDIANA  
CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
[EFFECTIVE JULY 1, 2004]:

**Chapter 11.1. Energy Assistance Contingency Fund**

**Sec. 1. The energy assistance contingency fund is established.**

**Sec. 2. As used in this chapter, "dwelling" means an individual  
residence, including a manufactured home, a room, or a  
combination of rooms, with facilities for living for a single  
household.**

**Sec. 3. As used in this chapter, "eligible household" means a  
household whose income is at or below two hundred percent  
(200%) of the most recently determined poverty income guidelines  
established by the federal Office of Management and Budget, as  
revised periodically by the United States Secretary of Health and  
Human Services under 42 U.S.C. 9902(2).**

**Sec. 4. As used in this chapter, "fund" refers to the energy  
assistance contingency fund.**

**Sec. 5. As used in this chapter, "grantee" means a party with  
whom the division contracts to provide services under this chapter.**

**Sec. 6. As used in this chapter, "home energy" has the meaning  
set forth in IC 12-14-11-2.**

**Sec. 7. As used in this chapter, "home energy efficiency  
measure" means a device, technology, or service that is installed or  
used at the dwelling of an eligible household to reduce the amount  
of home energy consumed by the household for heating or cooling.  
The term includes materials used in building design or retrofitting.**

**Sec. 8. As used in this chapter, "household" means an individual  
or a group of individuals who live together as a single economic**

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unit and who:

- (1) purchase home energy in common; or
- (2) make undesignated payments for home energy in the form of rent.

**Sec. 9.** The division shall administer the fund in accordance with IC 12-14-11. The division shall allocate the fund between low income home energy assistance and low income home energy efficiency measures.

**Sec. 10. (a)** Notwithstanding section 9 of this chapter, the division shall allocate at least twenty-five percent (25%) of the fund to low income home energy efficiency measures.

**(b)** The division shall use not more than ten percent (10%) of the allocation under subsection (a) for program administration. The division shall make available at least fifty percent (50%) of the program administration funds to grantees.

**(c)** Notwithstanding subsection (b), the division may provide an additional five percent (5%) of the allocation under subsection (a) to grantees for program administration if the division determines that the additional amount is necessary to effectively administer the program.

**Sec. 11. (a)** Notwithstanding section 9 of this chapter, the division shall allocate not more than seventy-five percent (75%) of the fund to low income home energy assistance.

**(b)** The division shall distribute not more than ten percent (10%) of the allocation under subsection (a) to grantees for program administration.

**(c)** The division shall distribute not more than five percent (5%) of the allocation under subsection (a) to grantees for program support.

**Sec. 12. (a)** The division may designate to the fund all or a part of the oil overcharge funds appropriated under IC 4-12-1-14.2 if the appropriation to the fund under IC 4-12-1-14.4 is delayed due to a delay by the department of state revenue in collecting the gross retail tax on heating fuel sales.

**(b)** If the division makes a designation under subsection (a), the division shall pay the designated amount to the oil overcharge fund after the division receives the appropriation under IC 4-12-1-14.4.

**Sec. 13.** Money remaining in the fund at the end of a fiscal year does not revert to the state general fund.

**Sec. 14.** The division may adopt rules under IC 4-22-2 to implement this chapter.

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